



Bureau of Labor Statistics

Chicago, Ill. 60604

General Information: (312) 353-1880
Media Contact: Ronald M. Guzicki
(312) 353-1138
Fax-on-Demand Document No. 9207
<http://www.bls.gov/ro5>

TRANSMISSION OF MATERIAL IN
THIS RELEASE IS EMBARGOED UNTIL
7:30 A.M. CT
Friday, August 16, 2002

**Consumer Price Index
Milwaukee-Racine, WI
First Half 2002**

Retail prices in the Milwaukee-Racine area were higher by 0.7 percent in the first half of this year compared with the last half of 2001, according to the U.S. Department of Labor's Bureau of Labor Statistics (BLS). By comparison, retail prices in the Milwaukee area rose an average 1.3 percent in the same period over the previous five years. The Milwaukee-Racine area Consumer Price Index for All Urban Consumers (CPI-U) stood at 172.9 (1982-84=100) in the first half of 2002, representing a 0.6 percent increase over the first half of 2001. This gain was below the 2.2 percent average increase experienced over the five prior annual periods (1997-2001).

Regional Commissioner Peter J. Hebein of the Bureau's Chicago office, stated that about two-thirds of the recent first half gain was attributed to an increase in the cost of housing. Increases in the components for medical care and food and beverages were responsible for most of the remainder of the gain. Apparel and transportation costs were lower in the first half of the year, only partially offsetting these advances. Costs for recreation, education and communication, and other goods and services were not much different from their second half 2001 levels.

Housing costs advanced 1.9 percent during the first half of the year. A 2.4 percent rise in the cost of shelter (includes categories of rent and lodging away from home for example) was responsible for most of this gain. The index for fuel and utilities was up 3.2 percent as higher natural gas bills (12.7 percent) more than offset a 1.5 percent decline in the electricity index. Despite its gain in the first half of the year, the natural gas index stood 27.4 percent below its first half 2001 level. The index for household furnishings and operations fell 0.7 percent below its second half 2001 level, leaving the index unchanged on an annual basis. Overall housing costs in the Milwaukee-Racine area were up 1.1 percent from one year ago. This increase was below the 3.6 percent advance in the previous annual

period (first half 2000-2001), but more in-line with the 1.6 percent average increase recorded over the prior five annual periods (1996-2000).

The food and beverages component rose 1.0 percent during the first six months of 2002—not as much as the 2.0 percent average increase recorded over the prior five first half periods. Grocery prices (food at home) rose 1.6 percent during the first half of this year, accounting for most of the higher food and beverage bills. The cost of dining out (food away from home) was up only 0.3 percent compared with the last half of 2001. Rounding out the increase in the food and beverages component was a 0.9 percent gain in the alcoholic beverages index. The overall cost of food and beverages increased 1.5 percent over the past year after posting an average annual increase of 2.9 percent over the prior five annual periods.

Transportation costs declined 1.3 percent during the first half of 2002. Gasoline prices fell 3.5 percent during the first half of this year, turning around a 5.8 percent rise in the first half of 2001 and a steeper 21.9 percent jump experienced in the first half of 2000. Over the past year, transportation costs were down 2.8 percent thanks to a 14.8 percent drop in gasoline prices. In the previous annual period, transportation costs advanced 0.9 percent.

The medical care component rose 3.5 percent in the first half of the year. Over the past year, medical care costs rose 5.3 percent following a smaller 3.9 percent average annual gain over the past five years.

The component for recreation increased 0.5 percent during the first six months of the year and was also 0.5 percent above its year ago level. The education and communications component rose a 0.5 percent from the last half of 2001 to a level 1.9 percent above that of one year ago.

The apparel component dropped 5.4 percent during the first half of the year following declines that averaged 3.1 percent over the prior four first half periods. Over the past year, apparel prices were down 5.0 percent.

The other goods and services component, which includes personal care items and services, and tobacco and smoking products, edged down 0.1 percent in the first six months of the year. Compared with the first half of 2001 however, this component moved up 4.8 percent.

#

CPI HOTLINE SERVICE PROVIDES LATEST INDEXES 24 HOURS A DAY

The all items CPI-U and CPI-W for the U. S. City Average and for the Milwaukee area are available to the public 24 hours a day, 7 days a week through the Bureau's CPI Hotline service. This recorded message also provides percent changes from the prior period and from a year earlier as well as the schedule

release date for the next CPI issuance. The Hotline number in Milwaukee is (414) 276-2579.

BLS FAX-ON-DEMAND SERVICE OFFERS CPI DATA 24 HOURS A DAY

If you have a fax machine and a touch-tone telephone, you can order current and historical CPI data and receive it within minutes by fax. The BLS Fax-on-Demand service offers over 280 documents containing the most popular BLS data including more than 65 documents containing CPI data for the nation, four regions, and 30 metropolitan areas. To receive by fax a catalog of documents available on the service, call 312 353-1880, select menu option 1, and when prompted, order document 1000.

BRIEF EXPLANATION OF THE CPI

The Consumer Price Index (CPI) is a measure of the average change in prices over time in a fixed market basket of goods and services. The Bureau of Labor Statistics publishes CPI's for two population groups: (1) a CPI for All Urban Consumers (CPI-U) which covers approximately 80 percent of the total population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers 32 percent of the total population. The CPI-U includes, in addition to wage earners and clerical workers, groups such as professional, managerial, and technical workers, the self-employed, short-term workers, the unemployed, and retirees and others not in the labor force.

The CPI is based on prices of food, clothing, shelter, and fuels, transportation fares, charges for doctors' and dentists' services, drugs, and the other goods and services that people buy for day-to-day living. Prices are collected in 85 urban areas across the country from about 57,000 housing units and Approximately 19,000 retail establishments--department stores, supermarkets, hospitals, filling stations, and other types of stores and service establishments. All taxes directly associated with the purchase and use of items are included in the index. Prices of food, fuels and a few other items are obtained every month in all 85 locations. Prices of most other commodities and services are collected every month in the five largest geographic areas and every other month in other areas. Prices of most goods and services are obtained by personal visits of the Bureau's trained representatives. Mail questionnaires are used to obtain utility rates, some fuel prices, and certain other items.

In calculating the index, price changes for the various items in each location are averaged together with weights, which represent their importance in the spending of the appropriate population group. Local data are then combined to obtain a U.S. city average. Separate indexes are also published by size of city, by region of the country, for cross-classifications of regions and population-size classes, and for 27 local areas. Area indexes do not measure differences in the level of prices among cities; they only measure the average change in prices for each area since the base period.

The index measures price change from a designated reference date- 1982-84-which equals 100.0. An increase of 16.5 percent, for example, is shown as 116.5. This change can also be expressed in dollars as follows: The price of a

base period "market basket" of goods and services in the CPI has risen from \$10 in 1982-84 to \$11.65.

For further details see BLS Handbook of Methods, Bulletin 2490, Chapter 17, April 1997 The Consumer Price Index.

Consumer Price Index for All Urban Consumers (CPI-U): Indexes for semiannual averages and percent changes for selected periods

Milwaukee-Racine, WI (1982-84=100 unless otherwise noted)

Item and Group	Semiannual average indexes			Percent change to 1st half 2002 from—	
	1st half 2001	2nd half 2001	1st half 2002	1st half 2001	2nd half 2001
Expenditure category					
All items	171.8	171.7	172.9	0.6	0.7
All items (1967=100)	530.8	530.3	534.0	-	-
Food and beverages	173.6	174.5	176.2	1.5	1.0
Food	174.4	175.5	177.0	1.5	.9
Food at home	170.5	171.0	173.8	1.9	1.6
Food away from home	179.2	182.5	183.0	2.1	.3
Alcoholic beverages	170.0	168.9	170.4	.2	.9
Housing	170.9	169.6	172.8	1.1	1.9
Shelter	202.3	204.4	209.4	3.5	2.4
Rent of primary residence	178.0	182.6	185.2	4.0	1.4
Owners' equivalent rent of primary residence ¹	214.1	218.9	222.1	3.7	1.5
Fuels and utilities	144.2	123.1	127.0	-11.9	3.2
Fuels	124.7	103.8	107.5	-13.8	3.6
Gas (piped) and electricity	129.5	107.2	111.7	-13.7	4.2
Electricity	118.3	121.6	119.8	1.3	-1.5
Utility natural gas service	140.5	90.5	102.0	-27.4	12.7
Household furnishings and operations	114.0	114.8	114.0	.0	-.7
Apparel	117.3	117.8	111.4	-5.0	-5.4
Transportation	150.7	148.5	146.5	-2.8	-1.3
Private transportation	143.9	141.9	139.9	-2.8	-1.4
Motor fuel	140.6	124.3	120.0	-14.7	-3.5
Gasoline (all types)	139.0	122.7	118.4	-14.8	-3.5
Gasoline, unleaded regular ²	143.5	126.0	120.1	-16.3	-4.7
Gasoline, unleaded midgrade ^{2 3}	147.9	129.5	124.1	-16.1	-4.2
Gasoline, unleaded premium ²	124.4	110.5	107.4	-13.7	-2.8
Medical care	264.3	268.9	278.2	5.3	3.5
Recreation ⁴	102.7	102.7	103.2	.5	.5
Education and communication ⁴	108.7	110.2	110.8	1.9	.5
Other goods and services	269.3	282.5	282.2	4.8	-.1
Commodity and service group					
All items	171.8	171.7	172.9	.6	.7
Commodities	146.5	146.4	144.4	-1.4	-1.4
Commodities less food and beverages	131.9	131.2	128.1	-2.9	-2.4
Nondurables less food and beverages	145.1	144.1	140.3	-3.3	-2.6
Durables	118.6	118.4	116.0	-2.2	-2.0
Services	196.4	196.2	200.3	2.0	2.1
Special aggregate indexes					
All items less medical care	167.6	167.2	168.1	.3	.5
All items less shelter	162.3	161.1	161.2	-.7	.1
Commodities less food	133.2	132.7	129.7	-2.6	-2.3
Nondurables	159.8	159.7	158.4	-.9	-.8
Nondurables less food	146.5	145.5	141.9	-3.1	-2.5
Services less rent of shelter ¹	198.2	194.9	199.0	.4	2.1
Services less medical care services	190.6	190.0	193.7	1.6	1.9
Energy	132.2	112.8	114.2	-13.6	1.2
All items less energy	178.2	180.1	181.4	1.8	.7
All items less food and energy	179.4	181.3	182.7	1.8	.8

¹ Index is on a November 1982=100 base.

² Special index based on a substantially smaller sample.

³ Indexes on a December 1993=100 base.

⁴ Indexes on a December 1997=100 base.

- Data not available.